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6 UNITED STATES BANKRUPTCY COURT
7 NORTHERN DISTRICT OF CALIFORNIA
8 SAN FRANCISCO DIVISION

9 IN RE:

10 LEGAL RECOVERY, LLC

11 Debtor.

Case No.: 24-30074 DM
Chapter 11

PLAN OF REORGANIZATION

12 I. INTRODUCTION

13 This Plan of Reorganization provides for the restructuring of the debts of LEGAL RECOVERY
14 LLC ("Debtor" or "LR")(the "Plan Document" and as may be amended from time to time, the
15 "Plan")¹. This Plan, for a small business debtor under Subchapter V, 11 U.S.C. § 1190, requires
16 that it include (A) a brief history of the business operations of the debtor; (B) a liquidation
17 analysis; and (C) projections with respect to the ability of the debtor to make payments under the
18 proposed plan of reorganization. If confirmed by the court, this Plan will bind all creditors
19 provided for in the Plan, whether or not they filed a proof of claim or accept the Plan, and
20 whether or not their claims are allowed. All creditors should refer to the Plan for information
21 regarding the precise treatment of their claims.

22
23 NO REPRESENTATIONS CONCERNING THE DEBTOR, PARTICULARLY AS TO ITS
24 FUTURE BUSINESS OPERATIONS, AFFAIRS, THE VALUE OF ITS PROPERTY OR ITS
25 LIABILITIES ON CREDITORS' CLAIMS, ARE AUTHORIZED BY THE DEBTOR OTHER
26 THAN AS SET FORTH IN THIS PLAN DOCUMENT. THE INFORMATION CONTAINED
27 IN THIS PLAN DOCUMENT HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT.

28

1 Debtor is in talks with secured creditors and will amend plan as necessary.

1 HOWEVER, EVERY REASONABLE EFFORT HAS BEEN MADE TO PRESENT
2 ACCURATE FIGURES AND ESTIMATES. THE RECORDS KEPT BY THE DEBTOR ARE
3 NOT WARRANTED OR REPRESENTED TO BE WITHOUT ANY INACCURACY. THE
4 DEBTOR'S COUNSEL MAKES NO REPRESENTATIONS OR WARRANTIES
5 WHATSOEVER IN CONNECTION HEREWITH.
6

7 A. Description and History of the Debtor's Business
8

9 The Debtor, Legal Recovery LLC (LR), is a California limited liability company established on
10 December 19, 2013 to collect on promissory notes owed by Martin Lee Eng (Eng). LR obtained
11 a judgment of \$1,507,302.92 on 2015-07-08 in San Francisco Superior Court Case no. CGC-14-
12 542378 (Legal Recovery, LLC vs. Martin Lee Eng, filed 2014-10-27). To enforce said
13 judgment, LR filed a fraudulent conveyance action and obtained a judgment on October 7, 2021
14 against Lombard Flats LLC and other defendants in San Francisco Superior Court Case no. CGC
15 15-548357 (Legal Recovery, LLC vs. Martin Lee Eng et al., filed October 8, 2015). Lombard
16 Flats LLC (LF) was the owner of 949-953 Lombard Street, San Francisco, California 94133 (the
17 "Lombard Street Property"). A writ of execution and levy was recorded against the Lombard
18 Street Property and a Sheriff's Sale was conducted on 2024-01-30 with LR as the winning
19 bidder. The Sheriff's Deed, conveying the Lombard Street Property to LR, was recorded on
20 2024-02-05 as San Francisco Recorder Doc # 2024012830. [On 2024-01-29, LF filed petition
21 under Chapter 11 in this court, Case No.: 24-30047. On 2024-04-18, LR filed a motion to annul
22 automatic stay with hearing set for 2024-05-10. This plan is based on the assumption that said
23 motion will be granted.] The Lombard Street property is a three unit residential property. Eng
24 and his mother Sau Eng resides in one or more of the units. Debtor has filed a pending unlawful
25 detainer action on 2024-02-09, SF Case no. CUD-24-674202, to evict the unauthorized persons
26 residing at the Lombard Street Property.
27
28

B. Liquidation Analysis

To confirm the Plan, the Court must find that all creditors and equity interest holders who do not accept the Plan will receive at least as much under the Plan as such claim and equity interest holders would receive in a chapter 7 liquidation. Under this Plan, all creditors, secured and unsecured, are expected to receive at least as much as such claim and equity interest holders would receive in a chapter 7 liquidation.

Assets of Debtor:

Description	Liquidation Value	Notes:
949-953 Lombard Street, San Francisco, California 94133	\$2,785,000	Value based on Secured Creditor VRMTG Asset Trust's BPO valuing the Property at \$2,785,000 as of 9/27/2023 [Case no. 24-30047, Doc# 75-1 at Ex. 19.]
Debtor-In-Possession account, East West Bank	\$0	Estimated balance on effective date of plan
Judgment, SF Supr. Ct. Case no. CGC 15-548357 (Legal Recovery, LLC vs. Martin Lee Eng et al.)	\$0	Unsatisfied judgment balance of \$121,409. The defendants have no known assets other than the Lombard Street Property which had been acquired by Debtor.
Ownership of 100% economic interests in Lombard Flats LLC	\$0	Unknown if Lombard Flats LLC has any other asset after the Sheriff's Sale of the Lombard Street property.
Cause of Action, SF Supr. Ct. Case no. CGC-22-603067 (Legal Recovery LLC v. Joanne Eng, et al.)	\$0	Case of action based on conspiracy on fraudulent conveyance. Estimated damages \$121,409. Trial set for July 22, 2024. The remaining defendants are Joanne Eng and New Owners Group LLC - both are considered judgment proof. Joanne Eng has a pending motion for violation of stay against debtor in IN RE. JOANNE W ENG, Bankr. Crt Nevada No. 19-12981. Prior to debtor's petition, on or about January 23, 2024, debtor and Joanne Eng have reached settlement to dismiss respective claims with prejudice but was not reduced to writing before debtor's petition.

SECURED CREDITORS might expect to receive the following in
chapter 7 liquidation on the Effective Date of the Plan:

Creditor	Description of Collateral	Claim	Secured Claim §506(a)	Unsecured Claim	Amount expected to receive in chapter 7 liquidation	Minimum amount provided in the Plan to Creditor
VRMTG ASSET TRUST	949-953 Lombard St, San Francisco, CA (1st position lien)	3,512,644	2,785,000	727,644	2,785,000	2,785,000
Shirley Chao	949-953 Lombard St, San Francisco, CA (2nd position lien)	70,000 (estimated)	0	70,000	0	0

UNSECURED PRIORITY CREDITORS might expect to receive the following in
chapter 7 liquidation on the Effective Date of the Plan:

Creditor	Amount of Claim	Description of Claim	Disputed?	Amount expected to receive in chapter 7 liquidation	Minimum amount provided in the Plan
Franchise Tax Board	1,612.82	Claim 2-2 Filed 04/11/24 [Unsecured Priority Claim: \$1,612.82; Unsecured General Claim: \$52.00]	No	0	1,612.82

//

UNSECURED NON-PRIORITY CREDITORS might expect to receive the following in chapter 7 liquidation on the Effective Date of the Plan:

Name of Creditor	Amount of Claim	Description of Claim	Disputed?	Amount expected to receive in chapter 7 liquidation	Minimum amount provided in the Plan
Internal Revenue Service	9,060.00	Claim 1-4 Filed 03/27/24	No	0	0
Franchise Tax Board	52.00	Claim 2-2 Filed 04/11/24 [Unsecured Priority Claim: \$1,612.82; Unsecured General Claim: \$52.00]	No	0	0
Joanne Eng	unknown	Bankr. Crt Nevada Case No. 19-12981. Claim for Damages re. alleged violation of automatic stay.	yes	0	0
All other unsecured creditors who has not file a proof of claim	unknown			0	0
All other unknown unsecured creditors	unknown			0	0

c. Ability to make future plan payments and operate without further reorganization

The Plan Proponent must also show that it will have enough cash over the life of the Plan to make the required Plan payments and operate the debtor's business. The Plan Proponent has provided projected financial information as Exhibit A. The Plan Proponent's financial projections show that the Debtor will have projected disposable income (as defined by § 1191(d))

1 of the Bankruptcy Code) for the period described in § 1191(c)(2) of \$2,286. The final Plan
2 payment is expected to be paid the end of third year of effective date of plan
3

4 II. PLAN OF REORGANIZATION 5

6 This Plan of Reorganization proposes to pay creditors from projected future income of Debtor.
7 Non-priority unsecured creditors holding allowed claims will receive distributions, which the
8 proponent of this Plan has valued at approximately \$0.00 cents on the dollar. This Plan also
9 provides for the payment of administrative and priority claims. All creditors should refer to this
10 Plan for information regarding the precise treatment of their claim. Your rights may be affected.
11 You should read these papers carefully and discuss them with your attorney, if you have one. (If
12 you do not have an attorney, you may wish to consult one.)
13

14 PART 1: SECURED CREDITORS 15

16 The Debtor's real property located at 949-953 Lombard Street, San Francisco, California (the
17 "Lombard Street Property") shall be valued under Bankruptcy Code §506(a). The Debtor asserts
18 that the fair market value of the Property is \$2,785,000 based on Secured Creditor VRMTG
19 Asset Trust's BPO valuing the Property at \$2,785,000 as of 9/27/2023 [Case no. 24-30047, Doc#
20 75-1 at Ex. 19].
21

22 As of the filing date of this Chapter 11 case on Feb. 6, 2024, the following liens senior in
23 position to debtor's judgment lien are recorded against the Property. Creditors in this class may
24 not possess or dispose of their collateral so long as Debtor is not in Material Default in
25 performing its obligations under the Plan. This class is impaired.
26

27 //
28

Class 1. VRMTG Asset Trust

Debtor will pay monthly payments of interest only upon the entire claim with the balance due in full three years from the Effective Date of the Plan. Payments will be due the 15th day of the month, starting the first full month after the Effective Date of the Plan.

Name of Creditor	Value & Description of Collateral	Secured Claim §506(a)	Unsecured Claim	Interest Rate on Secured Claim	Term	Monthly Payment
VRMTG Asset Trust	949-953 Lombard St, San Francisco, CA	\$2,785,000	\$727,644	1% for 3 years; interest only	Balance due 3 years: \$2,785,000	Years 1-3: \$2320.84

Class 1A. Shirley Chao

Name of Creditor	Value & Description of Collateral	Secured Claim §506(a)	Unsecured Claim	Interest Rate on Secured Claim	Term	Monthly Payment
Shirley Chao	949-953 Lombard St, San Francisco, CA	\$0.00	\$70,000	n/a	n/a	\$0

PART 2: GENERAL UNSECURED CREDITORS

Class 2. Unsecured Creditors. Creditor claims in this class are unsecured (1) as a result of bifurcation under Bankruptcy Code §506(a); and (2) because the creditor did not have any collateral to secure its claim in the first instance. These creditors shall be paid, in quarterly payments, their pro-rata share of the Debtor's Monthly Net Cash Flow as defined on Exhibit A attached hereto for 3 years from the Effective Date of the Plan. Payments will be due the 15th day of the month following the end of the calendar quarter starting the first full month after the Effective Date of the Plan. Creditors in this class may not take any collection action against

Debtor so long as Debtor is not in Material Default in performing its obligations under the Plan.
This class is impaired.

REGARDING EXHIBIT A: CLASS 2 CREDITORS SHOULD NOTE THAT THIS EXHIBIT CONTAINS PROJECTIONS ONLY. THE DEBTOR DOES NOT AND CANNOT GUARANTEE THAT THE RESULTS SET FORTH ON THIS EXHIBIT WILL ACTUALLY BE ACHIEVED. THE PROJECTIONS ON EXHIBIT ARE THE DEBTOR'S BEST ESTIMATES AT THIS TIME GIVEN THE CURRENT RENTAL MARKET AND THE DEBTOR'S PROJECTED OPERATING EXPENSES. CLASS 2 CREDITORS WILL BE PAID ACCORDING TO THE PLAN REGARDLESS OF THE ACTUAL RESULTS THE DEBTOR EXPERIENCES OVER THE 3 YEARS FROM THE EFFECTIVE DATE WHETHER OR NOT SUCH RESULTS CONFORM TO EXHIBIT A.

Name of Creditor	Amount of Claim per §506(a)	Disputed?	Pro-rata Share/ Share if objections to disputed claims sustained	Lien Status
VRMTG ASSET TRUST	727,644	no	0	Unsecured portion of secured claim
Shirley Chao	70,000	Yes [the actual amount of lien is uncertain]	0	Unsecured portion of secured claim
Internal Revenue Service	9,060	no	0	Wholly unsecured
Franchise Tax Board	52	no	0	Wholly unsecured
Joanne Eng	unknown	yes	0	Wholly unsecured
All other unsecured creditors who has not file a proof of claim	unknown	yes	0	Wholly unsecured
All other unknown unsecured creditors	unknown	yes	0	Wholly unsecured

Class 2A. Interest of Debtor's Member. The Debtor's member shall retain its interest with legal and equitable rights unaltered by the Plan. This class is not impaired.

PART 3: ADMINISTRATIVE EXPENSE CLAIMS,
PRIORITY TAX CLAIMS, AND QUARTERLY AND COURT FEES

(a) Administrative expense claims. Each holder of an administrative expense claim allowed under § 503 of the Code will be paid in full on the effective date of this Plan, in cash, or upon such other terms as may be agreed upon by the holder of the claim and the Debtor.

Name of Creditor (Other Than Ordinary Course)	Estimated Amount of Claim
Gina Klump - Subchapter V Trustee	TBD

(b) Priority Tax Claims. Debtor will pay allowed claims entitled to priority under section 507(a)(8).

Name of Creditor	Amount of Claim	Proof of Claim	Monthly Payment
Franchise Tax Board	1,612.82	Claim 2-2 Filed 04/11/24 [Unsecured Priority Claim: \$1,612.82; Unsecured General Claim: \$52.00]	Years 1-3: \$45

(c) Statutory fees All fees required to be paid under 28 U.S.C. § 1930 that are owed on or before the effective date of this Plan have been paid or will be paid on the effective date.

(d) Prospective quarterly fees. All quarterly fees required to be paid under 28 U.S.C. § 1930(a)(6) or (a)(7) will accrue and be timely paid until the case is closed, dismissed, or converted to another chapter of the Code.

//

1 PART 4: EXECUTORY CONTRACTS AND UNEXPIRED LEASES

2
3 (a) Executory Contracts/Leases Assumed. The Debtor assumes the following executory contracts
4 and/or unexpired leases effective upon the date of the entry of the order confirming this Plan and
5 shall perform all obligations thereunder, both pre-confirmation and post-confirmation. Any pre-
6 confirmation arrearage will be paid on the Effective Date, unless the parties agree otherwise, or
the court finds that a proposed payment schedule provides adequate assurance of future
performance. Post-confirmation obligations will be paid as they come due.

Name of Lessor/Counterparty	Property Address or Description	Lease/Contract Arrears as of Effective Date
NONE		

10 (b) Executory Contracts/Leases Rejected. The Debtor rejects the following executory contracts
11 and/or unexpired leases and surrenders an interest in property securing these executory contracts
12 and/or unexpired leases. The Debtor waives the protection of the automatic stay and allows the
13 affected creditor to obtain possession and dispose of its collateral, without further order of the
14 court. Upon the date of the entry of the order confirming this Plan, the Debtor will be
15 conclusively deemed to have rejected all executory contracts and/or unexpired leases not
16 previously assumed or listed in paragraph (a) above. A proof of claim arising from the rejection
of an executory contract or unexpired lease must be filed not later than sixty (60) days after the
date of the order confirming this Plan. Claims arising from rejection of executory contracts shall
be included in Class 2 (general unsecured claims).

Name of Lessor/Counterparty	Property Address or Description	Lease/Contract Arrears as of Effective Date
NONE		

21 PART 5: DISPUTED CLAIMS

22
23 (a) Disputed claim. A disputed claim is a claim that has not been allowed or disallowed by a
24 final nonappealable order, and as to which either:

25 (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has
26 filed an objection; or

27 (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed,
28 contingent, or unliquidated.

(b) Delay of distribution on a disputed claim. No distribution will be made on account of a disputed claim unless such claim is allowed by a final non-appealable order.

(c) Settlement of disputed claims. The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

PART 6: LAWSUITS RESERVED

(a) Debtor retains, and may seek to enforce, the following claims against parties who are or were creditors of the bankruptcy estate, or officers, agents, and other parties related to creditors of the estate.

Party	Nature of Action	
Joanne Eng	Cause of Action, SF Supr. Ct. Case no. CGC-22-603067 (Legal Recovery LLC v. Joanne Eng, et al.)	

(b) Debtor retains, and may seek to enforce, all claims against parties other than creditors of the estate, or officers, agents, or other parties related to creditors of the estate.

PART 7: MEANS OF EXECUTION

The payments under the Plan shall be made from the rents paid to the Debtor from tenants of the Lombard Street Property after payment of ordinary and necessary expenses related to its operation and a reserve for vacancy, repairs and capital improvements.

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PART 8: DISCHARGE AND OTHER EFFECTS OF CONFIRMATION

(a) Discharge. If the Debtor's Plan is confirmed under § 1191(a), on the effective date of the Plan, the Debtor will be discharged from any debt that arose before confirmation of this Plan, to the extent specified in § 1141(d)(1)(A) of the Code, except that the Debtor will not be discharged of any debt:

- (i) imposed by this Plan; or
- (ii) to the extent provided in § 1141(d)(6).

If the Debtor's Plan is confirmed under § 1191(b), confirmation of this Plan does not discharge any debt provided for in this Plan until the court grants a discharge on completion of all payments due within the first 3 years of this Plan, or as otherwise provided in § 1192 of the Code. The Debtor will not be discharged from any debt:

- (i) on which the last payment is due after the first 3 years of the plan, or as otherwise provided in § 1192; or
- (ii) excepted from discharge under § 523(a) of the Code, except as provided in Rule 4007(c) of the Federal Rules of Bankruptcy Procedure.

(b) Vesting of Property. On the Effective Date, all property of the estate will vest in the reorganized Debtor pursuant to § 1141(b) of the Code free and clear of all claims and interests except as provided in this Plan.

(c) Plan Creates New Obligations.

Except as provided in Part 9, paragraph (e), the obligations to creditors that Debtor undertakes in the confirmed Plan replace those obligations to creditors that existed prior to the Effective Date of the Plan. Debtor's obligations under the confirmed Plan constitute binding contractual promises that, if not satisfied through performance of the Plan, create a basis for an action for

1 breach of contract under California law. To the extent a creditor retains a lien under the Plan, that
2 creditor retains all rights provided by such lien under applicable non-Bankruptcy law.

3
4 PART 9: REMEDIES IF DEBTOR DEFAULTS IN PERFORMING THE PLAN

5
6 (a) Automatic Stay Terminated: The automatic stay of section 362(a) of the Bankruptcy Code
7 terminates as of the Effective Date of the Plan.

8
9 (b) Creditor Action Restrained. The confirmed Plan is binding on every creditor whose claims
10 are provided for in the Plan. Therefore, notwithstanding paragraph (a) above, a creditor may not
11 take any action to enforce either the pre-confirmation obligation or the obligation due under the
12 Plan, so long as Debtor is not in Material Default under the Plan.

13
14 (c) Material Default Defined. If Debtor fails to make any payment required under the Plan, or to
15 perform any other obligation required under the Plan, for more than 10 calendar days after the
16 time specified in the Plan for such payment or other performance, the affected creditor may serve
17 upon Debtor and Debtor's attorney (if any) a written notice of Debtor's default. If Debtor fails
18 within 20 calendar days after the date of service of the notice of default either: (i) to cure the
19 default; or (ii) to obtain from the court an extension of time to cure the default, or a
20 determination that no default occurred, then Debtor is in Material Default under the Plan.

21
22 (d) Remedies Up on Material Default.

23 Upon Material Default, an affected creditor may:

24 (i) Take any actions permitted under applicable non-Bankruptcy law to enforce the obligation
25 due the affected creditor under the Plan, and may accelerate the time for performance of all
26 payments and other performance due to the creditor over the course of the Plan and not yet
27 performed at the time of the Material Default; or

28 (ii) File and serve a motion to convert the case to one under Chapter 7.

(e) Claim not Affected by Plan.

Upon confirmation of the Plan, any creditor whose claims are left unimpaired under the Plan may, notwithstanding paragraphs (a), (c), and (d) above, immediately exercise all of its contractual, legal, and equitable rights, except rights based on default of the type that need not be cured under section 1124(2)(A) and (D).

(f) Effect of Conversion to Chapter 7.

If the case is at any time converted to one under Chapter 7:

(i) All property of the Debtor as of the date of conversion, whether acquired pre-confirmation or post-confirmation, shall vest in the Chapter 7 bankruptcy estate; and

(ii) All creditors, whether their claims arose pre-confirmation or post-confirmation, are prohibited from taking action against the Chapter 7 bankruptcy estate or property of the estate by section 362 of the Bankruptcy Code.

(g) Retention of jurisdiction.

This court shall retain jurisdiction over proceedings:

(i) to determine whether Debtor has defaulted in performance of any Plan obligation;

(ii) to determine whether the time for performing any Plan obligation should be extended;

(iii) to determine whether the case should be converted to one under Chapter 7 (and proceedings following any such conversion);

(iv) to determine whether Debtor is in Material Default; and

(v) any enforcement action permitted under paragraph (d) above.

PART 10: GENERAL PROVISIONS

(a) Effective Date of Plan. The Effective Date of the Plan is the 15th day following the date of the entry of the order of confirmation, if no notice of appeal from that order has been filed. If a

1 notice of appeal has been filed, the Plan proponent may waive the finality requirement and put
2 the Plan into effect, unless the order confirming the Plan has been stayed. If a stay of the
3 confirmation order has been issued, the Effective Date will be the first business day after that
4 date on which no stay of the confirmation order is in effect, provided that the confirmation order
5 has not been vacated.

6
7 (b) Severability. If any provision in the Plan is determined to be unenforceable, the determination
8 will in no way limit or affect the enforceability and operative effect of any other provision of the
9 Plan.

10
11 (c) Binding Effect. The rights and obligations of any entity named or referred to in the Plan will
12 be binding upon, and will inure to the benefit of the successors or assigns of such entity.

13
14 (d) Captions. The headings contained in the Plan are for convenience of reference only and do
15 not affect the meaning or interpretation of the Plan.

16
17 (e) Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the
18 Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of California govern
19 the Plan and any agreements, documents, and instruments executed in connection with the Plan,
20 except as otherwise provided in the Plan.

21
22 (f) Disbursing Agent.

23 The court shall appoint the Subchapter V trustee or a third person to act as the disbursing agent
24 under the Plan, who shall collect all rents from the reorganized debtor and distribute all property
25 or monies to be disbursed under the Plan and in accordance with Exhibit A.

26
27 (g) Unclaimed Distributions. If any amount distributed under the Plan on account of claims
28 treated under the Plan is returned or remains unclaimed for 180 days after it is distributed

1 (including any checks that remain uncashed after 180 days from the date thereof), the
2 corresponding claims will be deemed abandoned and the funds distributed as provided in
3 Paragraph 5(a) above.

4
5 (h) Post-Confirmation Activities. Subsequent to the Effective Date of this Plan, the Debtor may
6 operate its business (if any) free of any restrictions of the Bankruptcy Code or the Bankruptcy
7 Court. Moreover, the Debtor shall have the authority to purchase, sell or lease property, to
8 borrow money on a secured or unsecured basis, compromise controversies, and employ and pay
9 accountants, attorneys and other professionals without order of the court.

10
11 (i) U.S. Trustee Fees and Reports. Commencing on the twentieth day of the month after the
12 first calendar quarter following the Effective Date and each on succeeding January 20, April 20,
13 July 20 and October 20 and continuing until the entry of a final decree, or an order converting or
14 dismissing the case, the Debtor shall pay U. S. Trustee fees, if any, and file and serve a Quarterly
15 Post Confirmation Report of Revested Debtor, if so required, in the form prescribed by the
16 United States Trustee, who shall have the right to move to convert or dismiss the case if the fees
17 are not paid and/or the reports are not filed and served timely.

18
19 (j) Notices. Any notice to the Debtor shall be in writing and mailed, and will be deemed to have
20 been given three days after the date sent by first class mail, postage prepaid and addressed as

21 follows:

22 LEGAL RECOVERY LLC
23 PO BOX 225254
24 SAN FRANCISCO, CA 94122

25 Dated: May 6, 2024

26 /s/ Leeds Disston
27 Attorney for Legal Recovery LLC
28

Exhibit A

3 Year Projected Annual Income and Expenses 949-953 Lombard Street, San Francisco, CA

		YEAR 1	Y2	Y3
RENT	PER/MONTH			
# 949	3000	36000	36000	36000
# 951	3000	36000	36000	36000
# 953	3000	36000	36000	36000
GROSS RENT		108000	108000	108000
Vacancy	15%	16200	16200	16200
NET RENTS		91800	91800	91800
EXPENSES (annual)				
Property Taxes (1.17%)		33930	33930	33930
Insurance		6000	6000	6000
Disbursing Agent Cost				
Reserve for Repairs & Capital Improv.	15%	13770	13770	13770
TOTAL EXPENSES		53700	53700	53700
NET BEFORE TAX (Monthly)		3175	3175	3175
Fed. & State Income Tax (monthly)	28%	889	889	889
NET RENTAL INCOME (MONTHLY)		2286	2286	2286
Payment to Class 1		2320.84	2320.84	2320.84
Payment to Priority		45	45	45
DEBTOR'S MONTHLY NET CASH		-79.84	-79.84	-79.84